GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:2882
ANSWERED ON:22.12.2003
CHROMITE MINES
KINJARAPU YERRANNAIDU

Will the Minister of STEEL be pleased to state:

(a) whether substantial area of Chromite mines originally leased to Tata Iron and Steel Company (TISCO) was reallotted to four Ferro Chrome producers for their consumption of Chrome ore from such allotted mining area;

(b) if so, the details thereof including the reasons therefor;

(c) the details of the production of Chrome ore from the captive mines;

(d) the production of Ferro Chrome utilising Chrome ore from such captive mines;

(e) the quantity of such ore sole in DTA and exported;

(f) the quantity of Ferro Chrome utilising Chrome ore from other captive mines; and

(g) the steps being taken by the Government to encourage value added export of Ferro Chrome by banning export of Chrome ore and to mitigate the plight of such Ferro Chrome producers who do not have captive Chrome ore to meet their requirement of Chrome ore?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI BRIJA KISHORE TRIPATHY)

(a) Yes, Sir.
(b) The original lease area of Sukinda chromite mine of M/s. Tata Iron and Steel Company (TISCO) was 1261.476 hectares. During second renewal of this lease, the area has been reduced to 406 hectares. Out of the balance area of 855.476 hectares, the following four companies have been allotted mining lease for their captive use:

Sl.No.	Name of Company	Area in hectres	Date of execution of lease
1.	M/s. Indian Metal & Ferro Alloys Ltd./ICCL	116.76	4.9.1999
2.	M/s. Ispat Alloys Ltd. (now renamed as Balasore Alloys Ltd.)	64.463	15.7.2000
3.	M/s. Jindal Strips Ltd. (now renamed as Jindal Stainless Ltd.)	89.00	4.1.2002
4.	M/s. Ferro Alloys Corporation Ltd. executed for which Mining Plan had been approved by IBM on 17.10.2002	39.18	Lease yet to be

These allotments were based on the recommendations of a Committee constituted by Government of India in compliance of the directions of Hon`ble High Court of Orissa given on 4th April, 1995.The SLP filed by M/s. TISCO in the Hon`ble Supreme Court was dismissed on 23rd July, 1996 with comments that the Order of the Central Government is justified.

(c) to (f): The information is being collected and will be laid on the table of the Lok Sabha.

(g) The policy of the Government is to conserve high grade Chrome ore for the domestic users. As per the export policy on Chrome ore, the Government has placed all high grade ore in restricted list except beneficiated Chrome ore fines/concentrates having feed up to 42% Chromium Oxide, low silica friable/fine Chromite ore with Chromium Oxide not exceeding 54% and silica exceeding 4% and Chrome ore lumps with Chromium Oxide not exceeding 40%.Moreover, the exports of these low silica friable/fine Chromite ore and Chromite lumps are canalised through MMTC Limited within an overall ceiling of 4 lakh tonnes per annum.